

Senate File 2266 - Introduced

SENATE FILE 2266
BY COMMITTEE ON STATE
GOVERNMENT

(SUCCESSOR TO SF 2166)

A BILL FOR

1 An Act concerning compensation and benefits limits, relating to
2 the earnings limitation for retirees under the Iowa public
3 employees' retirement system and compensation limits for
4 school corporation board members, and including effective
5 date provisions.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 97B.48A, subsection 1, paragraph a, Code
2 2022, is amended to read as follows:

3 a. If a member who has not reached the member's sixty-fifth
4 birthday and who has a bona fide retirement under **this chapter**
5 is in regular full-time employment during a calendar year,
6 the member's retirement allowance shall be reduced by fifty
7 cents for each dollar the member earns over the limit provided
8 in **this subsection**. However, employment is not full-time
9 employment until the member receives remuneration in an amount
10 in excess of ~~thirty~~ fifty thousand dollars for a calendar year,
11 or an amount equal to the amount of remuneration permitted
12 for a calendar year for persons under sixty-five years of
13 age before a reduction in federal social security retirement
14 benefits is required, whichever is higher. Effective the first
15 of the month in which a member attains the age of sixty-five
16 years, a retired member may receive a retirement allowance
17 without a reduction after return to covered employment
18 regardless of the amount of remuneration received.

19 Sec. 2. Section 279.7A, subsection 2, Code 2022, is amended
20 to read as follows:

21 2. **This section** does not apply to contracts for the
22 purchase of goods or services which benefit a director, or
23 to compensation for part-time or temporary employment which
24 benefits a director, if the benefit to the director does not
25 exceed ~~six~~ twenty thousand dollars in a fiscal year, and
26 contracts made by a school board, upon competitive bid in
27 writing, publicly invited and opened.

28 Sec. 3. EFFECTIVE DATE. This Act, being deemed of immediate
29 importance, takes effect upon enactment.

30 EXPLANATION

31 The inclusion of this explanation does not constitute agreement with
32 the explanation's substance by the members of the general assembly.

33 This bill modifies the earnings limitation for retirees
34 under the Iowa public employees' retirement system (IPERS) and
35 the limitation on compensation and benefits for a member of a

1 school board.

2 Code section 97B.48A provides that a retiree under IPERS who
3 has not reached age 65 shall have their retirement allowance
4 reduced by 50 cents for every dollar the retiree earns over
5 \$30,000 in full-time employment covered by IPERS. The bill
6 raises this earnings limitation provision to \$50,000.

7 Code section 279.7A, concerning limitations on contracts
8 that benefit a member of the board of directors of a school
9 corporation, is amended to allow a contract if the benefit from
10 the contract to the director does not exceed \$20,000 instead
11 of \$6,000.

12 The bill takes effect upon enactment.